Meeting Iowa's Workforce Challenge The Role of Iowa's Educational System in Meeting These Challenges

Comments by Director Judy Jeffrey Joint Meeting of the Boards of Directors - ABI, IDED, and IWD

June 13, 2007

Iowa stands at a historic crossroads. As dramatic changes in the state's demography and the global economy intersect, our state faces the danger of worker and skill gaps that could undermine our businesses, erode the earning power of our workers, and slow our economic growth. As these changes affect our educational systems, we are faced with serious decisions to be made to ensure that our students and our workers are prepared for the future they face.

By 2012, it is estimated that the state will have in excess of 150,000 more jobs than workers to fill them, the result of Iowa's stagnant population growth converging with impending baby boom retirements. By the same year, almost 45 percent of all occupations in the state will require postsecondary education or training. These are the job occupations most likely to provide family-sustaining wages.

Skilled workers are not simply a future problem – businesses, yes, even schools are facing difficulties in finding qualified workers. We have a higher percentage of K-12 students achieving at what is considered proficiency than ever before, but it is not good enough as these students must be prepared for some type of postsecondary work. ACT scores are some of the highest in the nation, but when we export more young adults with a college diploma than most other states, we have to improve both our staying power with good jobs and at the same time have a population of young, incumbent, and older workers who have the skills needed for the changing workforce demands.

Trends are not destiny. Iowa has the ability to bridge these skill and worker gaps, to stop the bleeding of exporting workers, and to upgrade and improve the skills of our entering workforce and our incumbent workforce.

Since I am here to tell you what education is doing to meet these demands, I will spend just a few minutes telling you how we can contribute and work together to address these challenges.

The State Board of Education, along with the Department, oversees the PreK-12 school districts, the community college programs, and vocational rehabilitation. Many states are working to form PreK-16 councils. Frankly, Iowa already has a PreK-14 governance unit that can integrate the educational system. Within this system Iowa has a nationally recognized system of comprehensive community colleges, which in 2006 enrolled 121,753 students in college credit courses and programs and another 287,073 adults in non-credit courses. One of every 4 Iowans between the ages of 18-64 enroll in a community college annually.

Iowa is very fortunate in that the wisdom of our state legislature established a comprehensive, non-duplicative system of community colleges, which merged the public junior colleges, the postsecondary vocational and technical educational entities, the adult education and GED programs into a comprehensive set of community colleges that are geographically based to respond to regional workforce needs. (Note in many states they struggle with disjointed, duplicative system of pre-baccalaureate programs, career and technical education, workforce development, and ABE/GED) Thousands of Iowa students enroll in Arts and Sciences courses and programs and transfer to four-year colleges and universities each year.

Community colleges provide an integrated, comprehensive, regionally based, outcomes-driven, sector-focused workforce development delivery system.

<u>Integrated</u> workforce development is the mission of community colleges. It is the heart of our community colleges.

Each community college identifies their programs through needs assessments that are updated/revised based on regional employer advisory input. Visiting a campus will find you in facilities that are technologically current and with appropriate equipment to adequately train the students for the jobs they plan to pursue. In 2006, 20 new credit CTE associate degree programs were developed and approved by the DE.

Community colleges are providing the lead in the provision of college opportunities for high school students.

Career academies and tech prep programs link two years of high school career and technical programs with the community college programs, fostering a smooth transition, and a college-ready clientele. Currently, we have high schools and community colleges working to establish hubs for career academies.

It is possible in southwest Iowa for a high school student to select from several different career pathways, information technology (web design, spread sheet applications, etc.), health academies, and next year preengineering (Project Lead the Way and auto cad) and an education academy. These academies are being developed as a consortium of 31 school districts with the community college. Academies are based on the employment studies conducted by the community college, AEA, and the chamber of commerce.

Internships and career exploration are being cemented through the cooperation of 60 partners and growing. Emphasis is on keeping students working in southwest Iowa by growing their own workforce to meet the community needs. Also, this partnership brings K-12 teachers directly into the workplace to help them integrate real-life experiences into their classroom curriculum. No school can stand alone in this consortium – they must have another school partner in order to address the declining school populations and be linked to community college programs. (Iowa West Foundation funds, Tech Prep, and Perkins funds)

Last year, over 25,578 high school students were enrolled in community college credit courses, of which 5,328 were earning college credit in career and technical programs. But, it's not good enough to just have students enrolled - they must be prepared in specific career clusters and pathways. To that end, the DE is working to realign career and technical education in Iowa around the national career clusters and pathways.

<u>Comprehensive</u>

Community colleges provide the future workforce to individuals enrolling in community college programs and through cooperative agreement with high schools for career/technical education. Iowa code requires each school district to offer sequential articulated programs in career and technical programs.

Not only do community colleges articulate with high schools, but they are also the statewide delivery system for adult basic education and GEDs. In 2006, we awarded 6,275 basic skills certificates and 3,893 high school equivalency diplomas (GED). A system of nationally portable basic skills certificates is awarded to students who acquire basic reading, math and writing skills. Iowa has the highest GED passage rate in the nation.

Community colleges provide education and training for incumbent workers through non-credit courses and customized and contracted courses, many of which are financed through 260E and 260F (customized training for current employees) projects.

Through 260E (new jobs or new positions), from 1983-2005, Iowa's community colleges issued more than \$466 million in bonds through 1,800 training agreements, helping to support the creation of 126,000 well-paying jobs.

By the end of 2005, more than 89,000 workers in 650 companies participated in more than 1,000 projects through the 260F program.

Community college programs are articulated to programs at four-year colleges and universities, providing a vehicle for continued education and baccalaureate degrees such as the University of Iowa's Bachelors of Applied Studies. A recent study by the DE indicates that 67% of individuals who obtained an AA degree transferred to a 4-year institution within three years.

Community colleges provide assessments, career planning, academic remediation, basic skills education, and education and training for adults returning to the workplace and those who need their skills "honed" for the new workplace.

Community colleges utilize 260-G or ACE (\$5 1/2M) to enhance their career and technical programs by supporting high skill high wage occupations programs and traditional CTE (Career and Technical Education) programs. Last year 2,501 students were enrolled in credit-based programs and took 47,390 credit hours.

Another financial tool currently used by the community colleges to enable them to respond to local workforce and economic needs is the Workforce Training and Economic Development Fund. This year it will provide \$11 1/2M from three revenue streams: \$7M from the Iowa Values Fund, \$2 1/2M from Iowa Power Fund, and \$2M from the Infrastructure Fund. These funds are distributed to community colleges accordingly to the SGA (State General Aid) distribution formula and are focused on targeted industries programs or renewable fuels or nursing.

Regionally-Based

Community colleges are the hub for regional economic development, with strong business connections to identify and grow cluster-based economic and workforce development. Their programs all have industry advisory committees assisting with needs assessments, planning, and evaluation of workforce and economic development activities. They are not only "at the table" in these discussions, but relied upon to implement many of their goals.

Visit northeast Iowa and you will find a dairy enterprise that meets the needs of not only Iowa but also the adjoining states. Visit northwest Iowa and the first day of your enrollment in the wind turbine program you climb to the top of the wind turbine to see if you actually have the guts to continue the training program.

The funding streams I described earlier were critical to Iowa Lakes Community College's capacity to respond to its regional needs for the wind energy program. This is an internationally recognized program that this year had more than 50 applicants who were turned away from admission because of limited capacity. The program has 100 percent placement in well paying jobs. This is an excellent example of the responsiveness and flexibility of community colleges to develop and implement a high tech program driven by a need regionally determined

Walk on the community college campuses and you will see numerous examples of cooperative arrangements with business and industry (not just financial support but even buildings and equipment/technology and the sharing of industry personnel expertise). Hundreds of classes are offered on remote/industry locations, high schools and community centers. Community colleges are "out-reach" organizations.

Even though the community colleges have locally elected boards and are regionally based, they have demonstrated the capacity to provide statewide responses and to develop statewide initiatives. Examples include:

- Five-Year Statewide Strategic Plan approved by the State Board of Education.
- Statewide set of performance indicators approved by the State Board of Education.
- One Source
- Community College On-Line Consortium
- Bioscience /Biotech Initiatives

Outcomes-Based

The community colleges have worked with the DE in the development of a Management Information System and a set of agreed-upon performance measures, including such measures as participation and completion/graduation rates, job placement and retention, economic impact, and institutional efficiencies.

Sector-Focused

Community colleges have recognized the benefits of industry clusters on a regional basis for economic development. The community colleges organize educational offerings and programs around these sectors. For example: Advanced Manufacturing cluster and the EICCD (Eastern Iowa Community College District) Manufacturing Center and its offerings. The sector-focus of community colleges is especially important for small and medium-sized businesses.

All across the state there is recognition of the need to grow Iowa's entrepreneurs. In collaboration with IDED, the DE has formed a statewide leadership team which this past year has developed a statewide vision for the education's role in building and retaining entrepreneurs in Iowa. This is a collaborative effort between the universities, community colleges, and the DE and business leaders.

K-12 Career Education

Articulation and transition into postsecondary is not successful if the K-12 system has not met its responsibilities. To that end, a model core curriculum has been launched to establish for all high school students in Iowa what they must accomplish in their skills and learning before they leave high school. Career education must be articulated throughout K-12 curriculum. All eighth grade students now complete a career education plan, which must outline how they will complete the core curriculum to prepare them for a future career/workplace and postsecondary training.

A system to establish an electronic career portfolio is provided free of charge through a partnership with Iowa College Student Aid Commission and Iowa Student Loan. In 2006, 836 middle and high schools and 132 postsecondary sites used this free service. Choices provide information on Iowa jobs, Iowa's colleges and universities, self-assessments, and are customized to meet Iowa student needs. Forty-nine thousand, nine hundred and forty-five (49,945) portfolios were created just last year. These education plans are student managed but under the guidance of a counselor or teacher, and are available 24/7 for parents to see and assist the student.

I'm sure you know that a statewide, nonpartisan coalition of educators, labor unions, business leaders and nonprofit organizations formed the Iowa Works Campaign in early 2006. Specific strategies were recommended to implement a broad, coherent and well-integrated workforce investment and change system. We believe that education has a high stake and is committed to achieving a system that will not only provide future workers but through our community college system can continue to upgrade and improve our current workforce to meet the demands that are ahead of us today.